

PSERS' Investment Portfolio

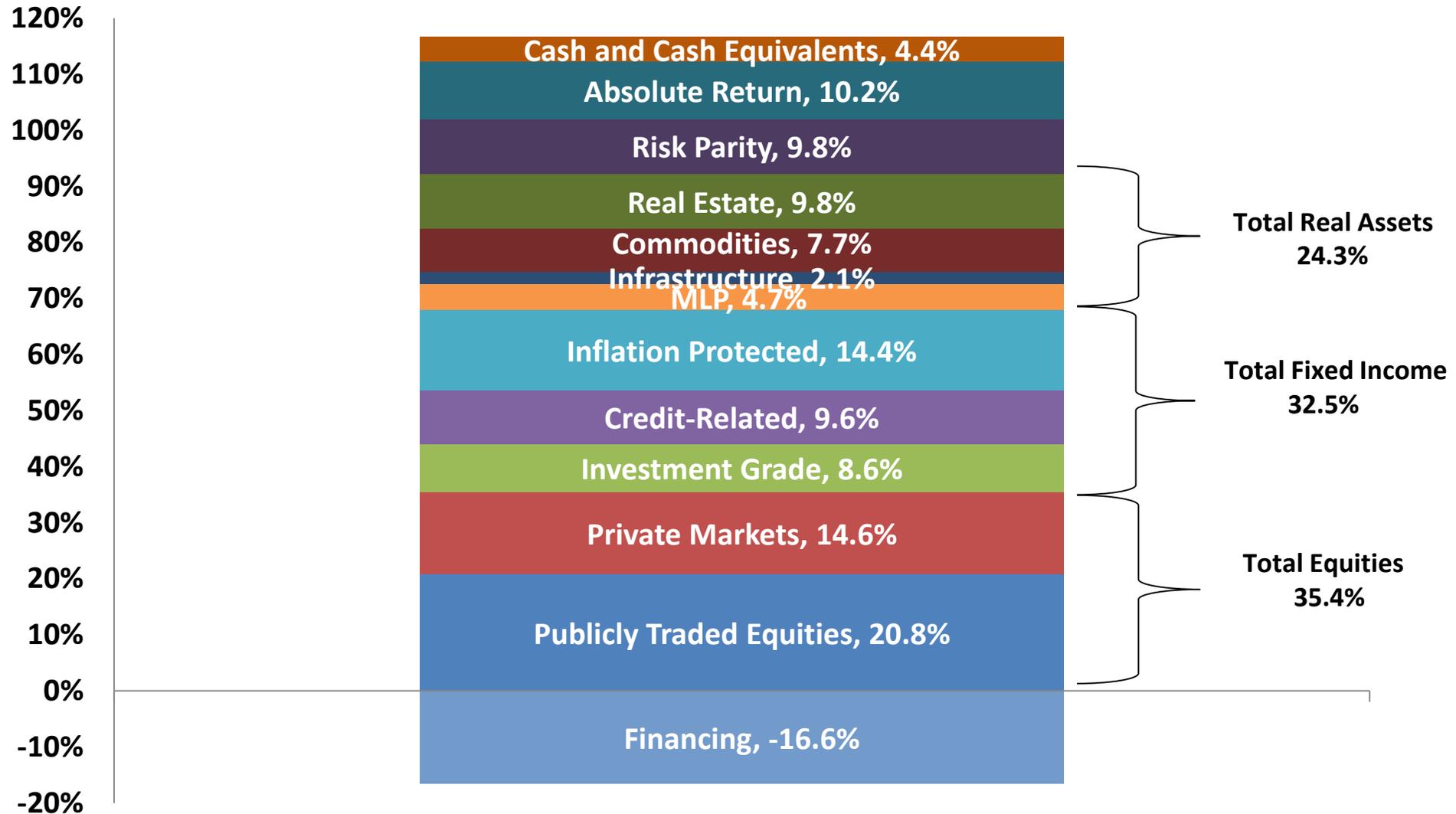
Asset Allocation as of June 30, 2018 (Unaudited)

Asset Class	Market Value (in millions)	% of Total	Target Allocations	Policy Ranges
Publicly-Traded Global Equity	\$11,564.7	20.8%		
Private Markets	<u>\$8,117.4</u>	<u>14.6%</u>		
Total Equities	\$19,682.1	35.4%	34.00%	+/- 10.0%
Investment Grade	\$4,766.4	8.6%		
Credit-Related	\$5,337.4	9.6%		
Inflation Protected	<u>\$7,976.8</u>	<u>14.4%</u>		
Total Fixed Income	\$18,080.7	32.5%	35.00%	+/- 10.0%
Master Limited Partnership (MLP)	\$2,613.0	4.7%		
Infrastructure	\$1,153.3	2.1%		
Commodities	\$4,267.7	7.7%		
Real Estate	<u>\$5,467.9</u>	<u>9.8%</u>		
Total Real Assets	\$13,502.0	24.3%	25.00%	+/- 10.0%
Risk Parity	\$5,439.2	9.8%	10.00%	+/- 5.0%
Absolute Return	\$5,671.3	10.2%	10.00%	+/- 4.0%
Cash and Cash Equivalents*	<u>\$2,457.4</u>	<u>4.4%</u>	<u>3.00%</u>	+/- 3.0%
GROSS INVESTMENT PORTFOLIO	\$64,832.6	116.6%	117.00%	
Financing	<u>(\$9,249.5)</u>	<u>(16.6%)</u>	<u>(17.0%)</u>	+/- 9.0%
NET INVESTMENT PORTFOLIO	\$55,583.1	100.0%	100.00%	
Net Other Assets and Liabilities	<u>\$1,145.6</u>			
PSERS TOTAL NET ASSETS	<u>\$56,728.7</u>			

* - includes Cash, Cash Equivalents, and net asset value accounting adjustments

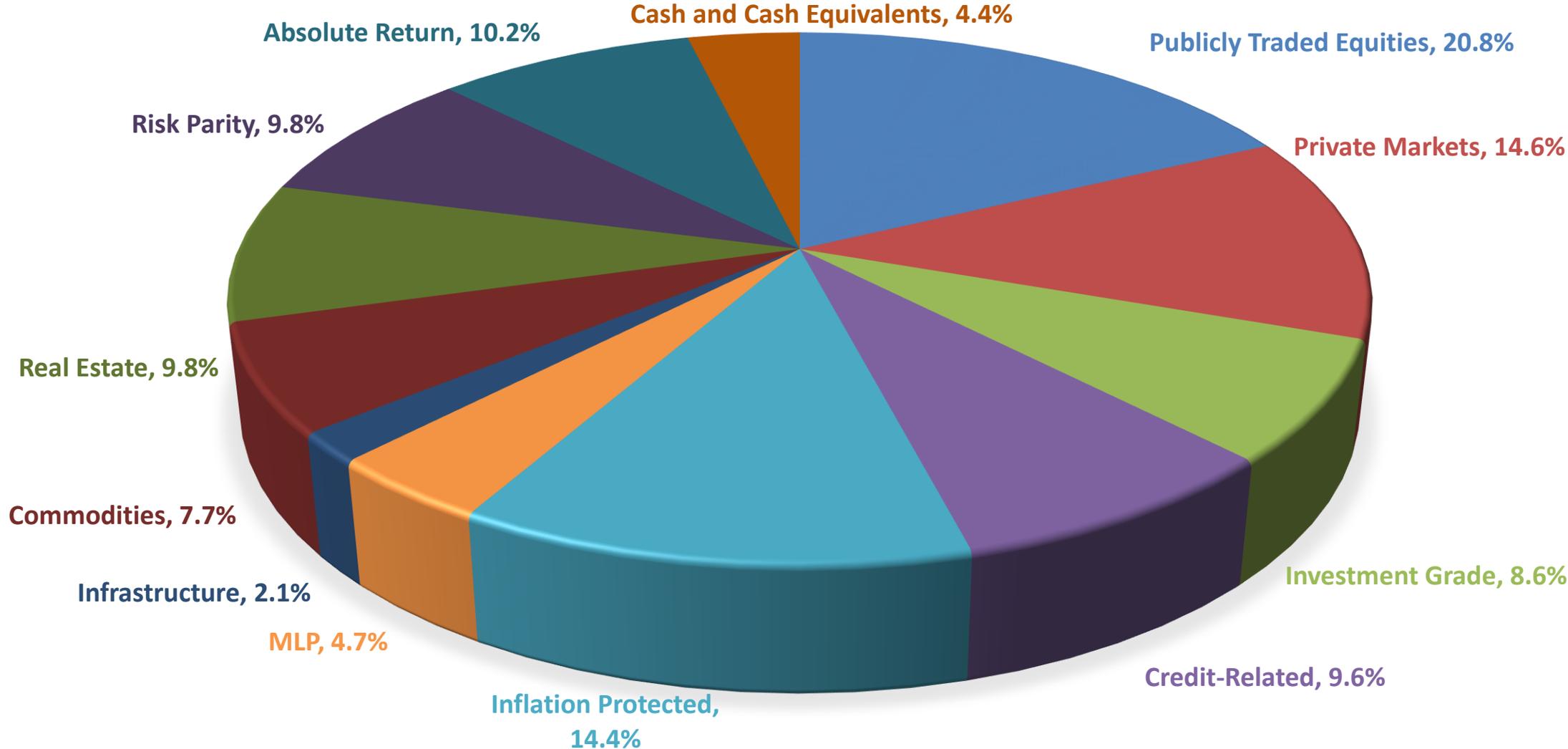
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Asset Allocation as of June 30, 2018 (Unaudited)



PSERS' Investment Portfolio

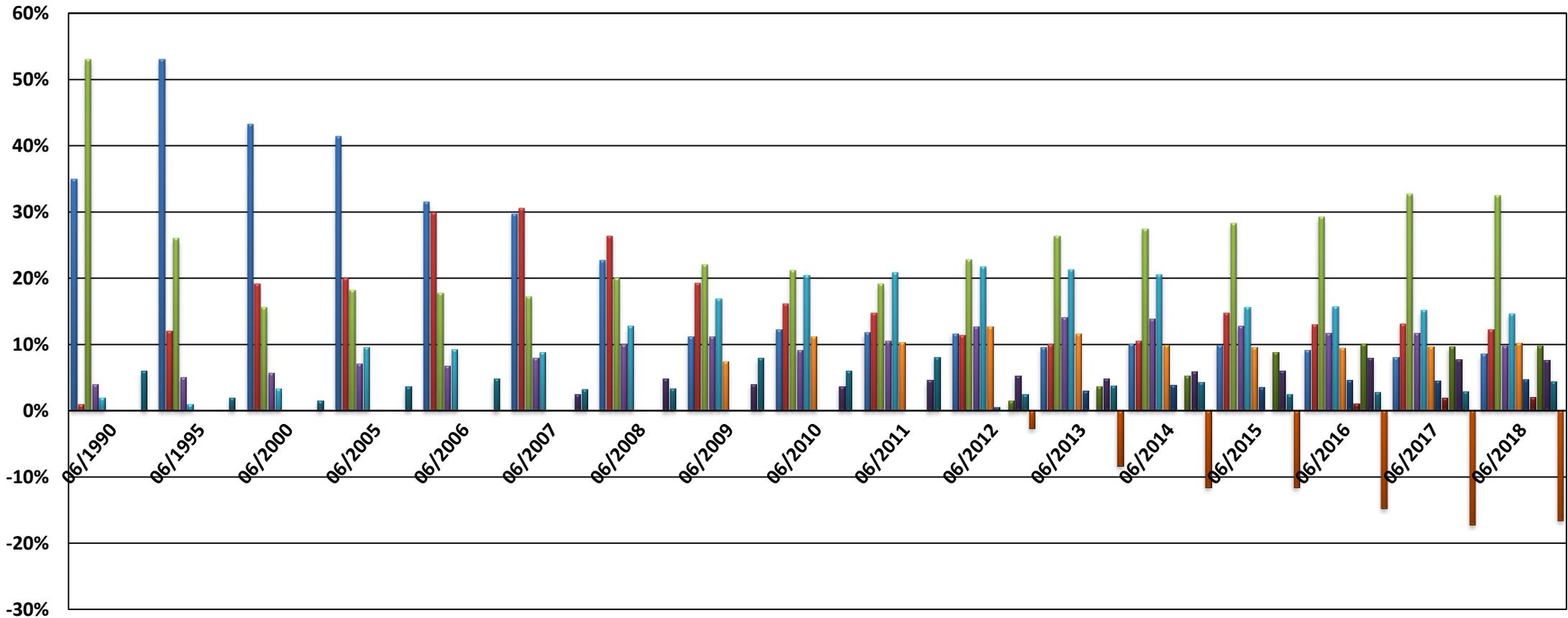
Asset Allocation as of June 30, 2018 (Unaudited)



*Financing represents a negative 16.6% allocation and is not reflected in the pie chart.



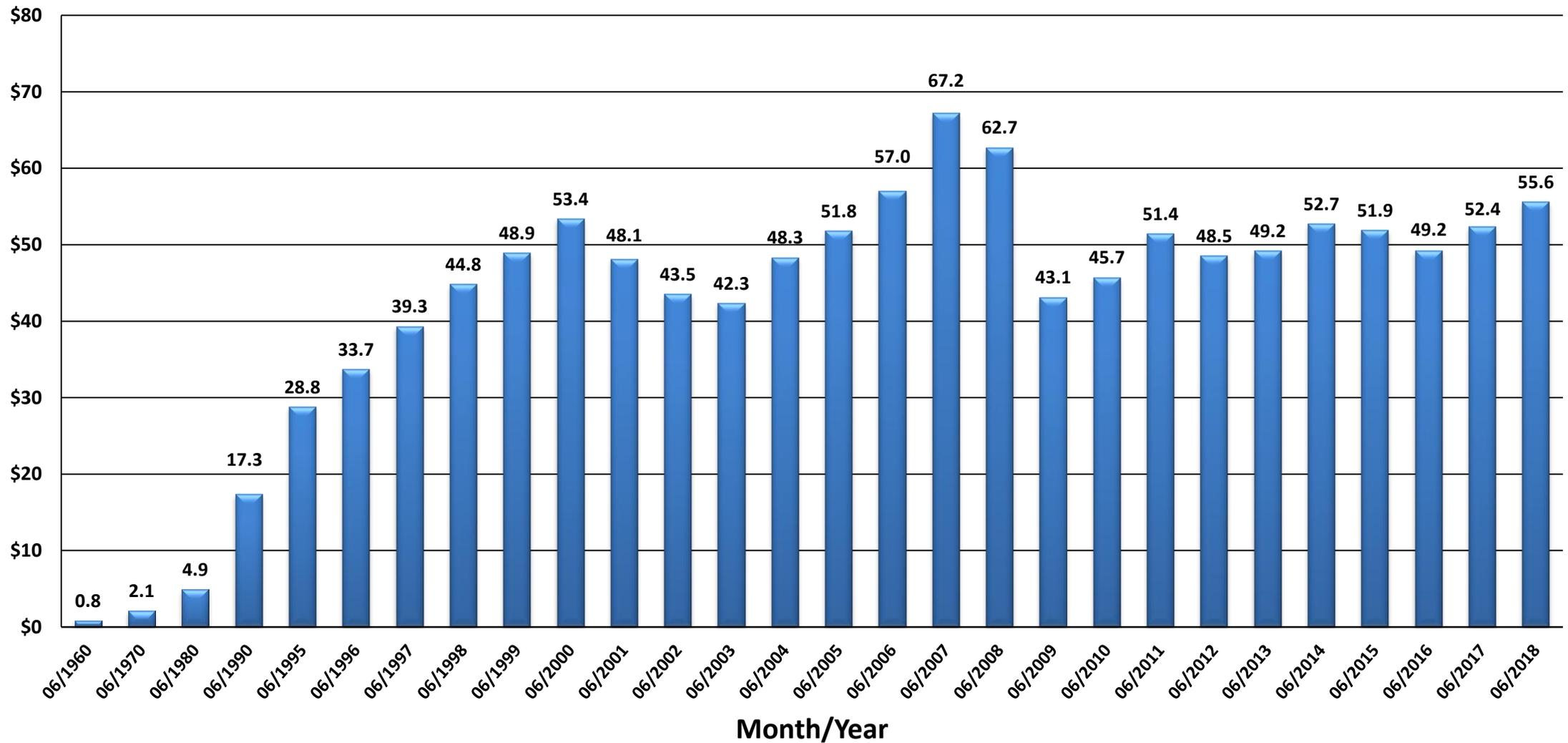
PSERS' Historical Asset Allocation



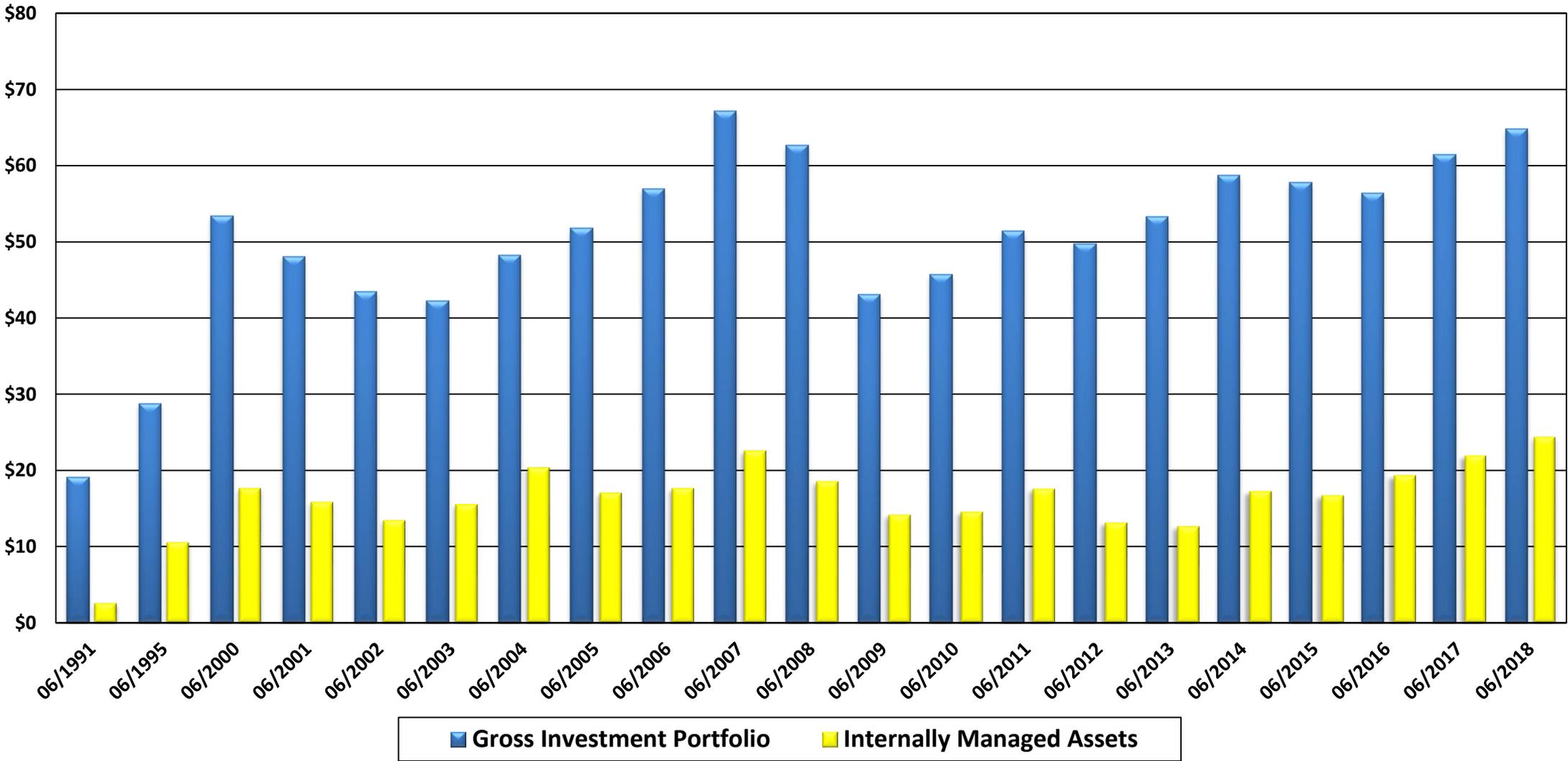
■ U.S. Equity	■ Non-U.S. Equity	■ Fixed Income
■ Real Estate	■ Private Markets	■ Absolute Return
■ MLP	■ Infrastructure	■ Risk Parity
■ Commodities	■ Cash & Cash Equivalents	■ Financing



PSERS' Historical Net Investment Portfolio (in billions)



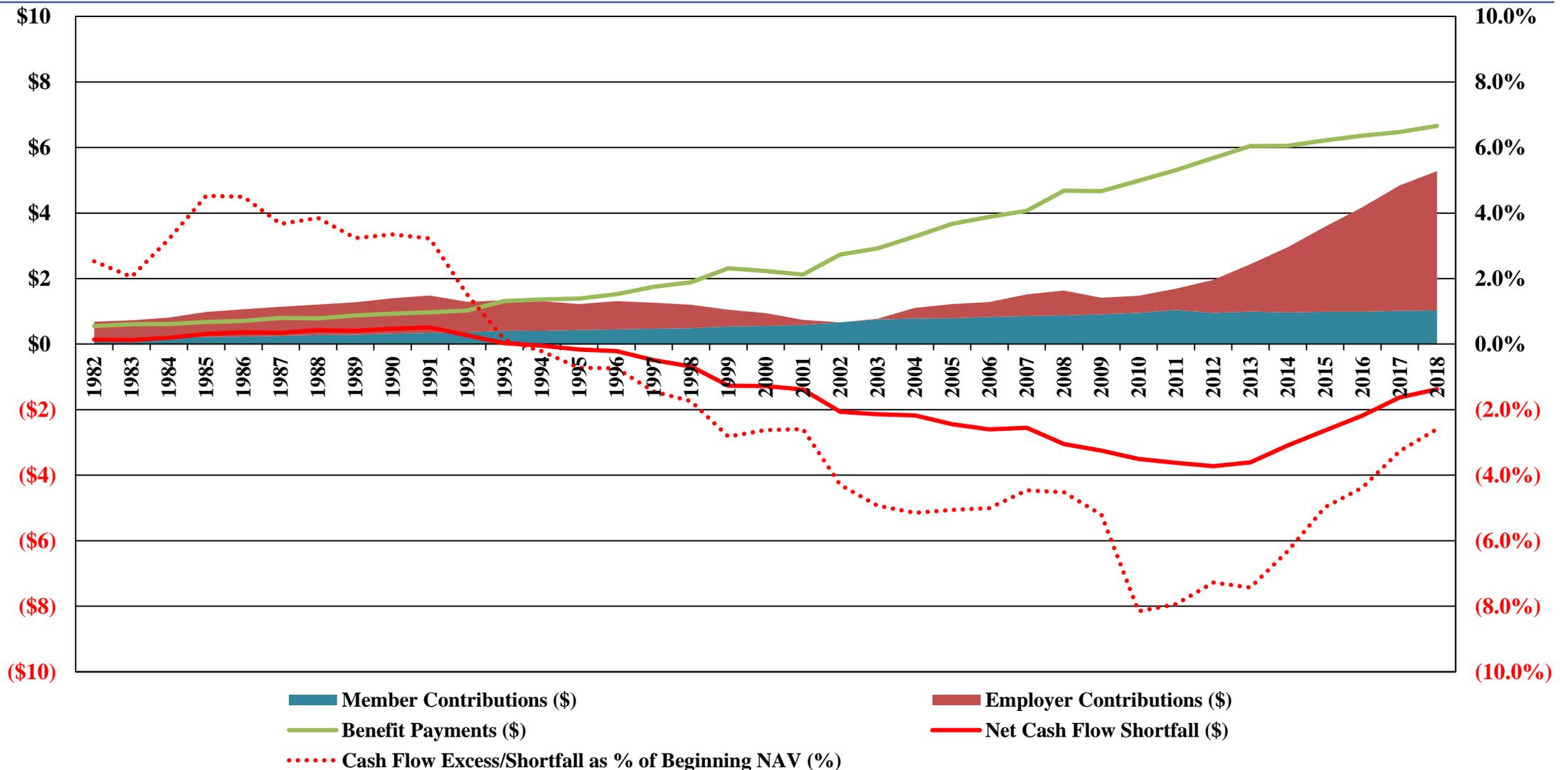
PSERS' Gross Investment Portfolio Internally Managed Assets (in billions)



PSERS' Summary Statements of Changes in Plan Net Assets For the Fiscal Years Ended June 30

Additions:	2013 (\$ in millions)	2014 (\$ in millions)	2015 (\$ in millions)	2016 (\$ in millions)	2017 (\$ in millions)	2018 (\$ in millions)
• Member Contributions	991	967	985	989	1,014	1,026
• Employer Contributions	1,446	1,992	2,597	3,190	3,833	4,250
• Net Investment Income	4,126	7,098	1,328	473	4,995	4,714
Total Additions	6,563	10,057	4,910	4,652	9,842	9,990
Deductions:						
• Pension Benefits	6,044	6,053	6,221	6,360	6,474	6,655
• Administrative Expenses	37	39	42	45	45	47
Total Deductions	6,081	6,092	6,263	6,405	6,519	6,702
Net Increase/(Decrease) in Plan Net Assets	482	3,965	(1,353)	(1,753)	3,323	3,288

PSERS Annual Cash Flows History – Since 1982 (in billions)



PSERS Annual Cash Flows History – Since 2001 (in billions)

